

SECURITIES TRADING POLICY



Mineral Deposits
ABN 19 064 377 420

Securities Trading Policy

PREAMBLE

1. This Securities Trading Policy ("**Policy**") outlines the circumstances in which Designated Persons may trade in MDL Securities.

SCOPE OF THIS POLICY

2. This Policy applies to all directors, executives and employees of Mineral Deposits Limited and its subsidiaries ("**MDL**" or the "**Company**") and, so far as the Company is able to extend it, to contractors, consultants and advisors (together, "**Designated Persons**") of the Company.
3. In this Policy, "**MDL Securities**" includes:
 - (a) any shares in the Company;
 - (b) any other securities issued by the Company such as debentures and options; and
 - (c) derivatives and other financial products issued by third parties in relation to the Company's shares, debentures and options.
4. In this Policy, to "**trade**" in MDL Securities includes:
 - (a) subscribing for, purchasing or selling MDL Securities or entering into an agreement to do any of those things;
 - (b) advising, procuring or encouraging another person (including a family member, friend, associate, colleague, family company or family trust) to trade in MDL Securities; and
 - (c) entering into agreements or transactions which operate to limit the economic risk of a person's holdings in the MDL Securities.
5. In this Policy, "**Key Management Personnel**" means any director, executive or senior staff member of the Company, as determined by the Chairman and Company Secretary.

PURPOSE OF THE POLICY

6. This Policy sets out the circumstances in which Designated Persons may trade in MDL Securities with the objective that no Designated Person will contravene the requirements of the Corporations Act 2001 (Cth) ("**Corporations Act**").
7. The purpose of this Policy is to:
 - (a) set out the restrictions on trading MDL Securities by people who work for or are associated with the Company;
 - (b) provide guidance to Designated Persons in determining when they may trade MDL Securities; and
 - (c) assist in preserving market confidence in the integrity of dealings in MDL Securities.
8. This Policy is not designed to prohibit Designated Persons from investing in MDL Securities but does recognise that there may be times when Designated Persons cannot or should not trade in MDL Securities.

INSIDE INFORMATION

9. A person is in possession of "inside information" in relation to MDL in circumstances where:
 - (a) the person possesses information that is not generally available and, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of MDL Securities; and
 - (b) the person knows, or reasonably ought to know, that the information is not generally available and, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the MDL Securities.
10. A reasonable person would be taken to expect information to have a material effect on the price or value of MDL Securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to trade in MDL Securities in any way. It does not matter how the Designated Person came to have the inside information.

Securities Trading Policy

11. If a Designated Person possesses “inside information” in relation to the Company, the person must not:
 - (a) trade in MDL Securities in any way; nor
 - (b) directly or indirectly communicate the information, or cause the information to be communicated, to another person if the person knows, or ought reasonably to know, that the other person would, or would be likely to, trade in MDL Securities in any way or procure a third person to trade in MDL Securities in any way.
12. A Designated Person may obtain inside information in relation to another company. For example in the course of negotiating a transaction with MDL, another company might provide confidential information about itself. The prohibition on insider trading is not restricted to information affecting MDL Securities. The Designated Persons in possession of the inside information must not trade in securities of those other companies nor procure his or her associates to do so (refer paragraph 11(b)).
13. A Designated Person who trades in MDL Securities while in possession of “inside information” may be liable to both civil and criminal penalties.

EXAMPLES OF “INSIDE INFORMATION”

14. Examples of information which may be considered to be “inside information” include the details relating to the items listed below (this is not an exhaustive list):
 - (a) production, reserves and/or financial results;
 - (b) prospective financial information;
 - (c) proposed transactions including entry into a major borrowing;
 - (d) unpublished announcements;
 - (e) proposed changes in capital structure, including share issues, rights issues and the redemption of securities;
 - (f) impending mergers, acquisitions, reconstructions, takeovers, etc;
 - (g) significant litigation and disputes;
 - (h) significant changes in operations or proposed changes in the general character or nature of the business of the Company;
 - (i) cash flow information;
 - (j) major or material purchases or disposals of assets; and
 - (k) proposed or new significant contracts or termination of same.

COMPANY’S POLICY ON TRADING IN MDL SECURITIES

15. **No short term trading:** Speculating in short-term fluctuations in MDL Securities does not promote shareholder or market confidence in the integrity of MDL. It is MDL’s policy that Designated Persons must not engage, directly or indirectly, in short-term or speculative trading in MDL Securities. However, the sale of shares immediately after they have been acquired through the conversion of a security (e.g. exercise of an option) will not be regarded as short term trading.
16. **Closed Periods:** Key Management Personnel are prohibited from trading in MDL Securities during the following times:
 - (a) From 31 December up until one day after the release by the Company of its annual results; or
 - (b) From 30 June up until one day after the release by the Company of its half yearly results.

provided that the person is **not** at the time of trading in possession of any inside information relating to the Company or its securities. Exceptions to this rule may apply under paragraph 19. The Board of Directors may declare additional Closed Periods from time to time.
17. **Prior approval for all trading by Key Management Personnel:** Key Management Personnel must not trade in MDL Securities at any time (including outside a Closed Period under paragraph 16) without the prior approval of the Chairman, Deputy Chairman or Company Secretary. Key Management Personnel must also notify the Company Secretary of their intention to trade. Consent to trade in MDL Securities may be refused.

Securities Trading Policy

18. **Chairman and Company Secretary:** The Chairman must not trade in MDL Securities without the prior approval of the Deputy Chairman, Managing Director or the next most senior director. The Company Secretary must not trade in MDL Securities without the prior approval of the Chairman or the next most senior director.
19. **Exceptional circumstances:** Trading in MDL Securities by Key Management Personnel during a Closed Period may be permitted with the prior written approval of both the Chairman and Company Secretary, if the following exceptional circumstances apply:
 - (a) severe financial hardship;
 - (b) in order to comply an undertaking given to, or an order by, a court; or
 - (c) such other exceptional circumstances as may from time to time be determined by the Chairman and Company Secretary.
20. **Designated Persons other than Key Management Personnel:** Designated Persons who are not Key Management Personnel may trade in MDL Securities at any time provided the Designated Person receives the prior approval of the Company Secretary before commencing the transaction. Designated Persons who are not Key Management Personnel are strongly advised to limit trading in MDL Securities during a Closed Period. In any event, Designated Persons who are not Key Management Personnel must not trade in MDL Securities at any time if in possession of any inside information relating to those securities or if they are engaging in short term trading.
21. **Exceptions to the Policy:** Designated Persons may at any time:
 - (a) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares (but may not sell all or any of the shares received upon exercise of the options other than in accordance with this Policy);
 - (b) acquire MDL Securities under a bonus issue made to all holders of securities of the same class;
 - (c) acquire MDL Securities under a dividend reinvestment plan, a rights issue or a share purchase plan that is available to all holders of securities of the same class;
 - (d) acquire, or agree to acquire, shares or options under a Company share or share option plan;
 - (e) exercise options or rights acquired under a Company incentive plan;
 - (f) transfer the MDL Securities already held into a superannuation fund or other saving scheme in which the Designated Person is a beneficiary, subject to ensuring the transfer does not contravene the laws prohibiting insider trading;
 - (g) transfer the MDL Securities already held where the beneficial interest of those securities does not change;
 - (h) invest in, or trade unit of, a fund or other scheme where the assets of the fund or other scheme are invested at the discretion of a third party; and
 - (i) accept a takeover offer.
22. **Prohibition on unvested hedging:** Key Management Personnel participating in an equity-based incentive plan of the Company are prohibited from entering into any transaction which would have the effect of hedging or otherwise transferring to any other person the risk of any fluctuation in the value of any unvested entitlement in the MDL's Securities.
23. **Limitation on vested hedging:** Vested entitlements to securities held by Designated Persons may only be hedged once the relevant securities have been exercised into shares, subject to any hedging proposal being approved in writing beforehand by the Chairman or Board of Directors.

NOTIFICATION TO MARKET

24. In accordance with the Corporations Act and ASX Listing Rules, a director must notify the ASX within 5 business days after any change in the Director's relevant interest in securities of the Company or a related body corporate of the Company.
25. A director must notify the Company Secretary in writing of the requisite information for the Company Secretary to make the necessary notifications to ASIC and ASX as required by the Corporations Act and the ASX Listing Rules.

Securities Trading Policy

26. “Insiders” as defined by Canadian securities laws, and which include officers and directors of the Company and officers and directors of subsidiaries of the Company, are required, subject to certain exemptions, to file reports with Canadian provincial securities regulators, pursuant to the electronic filing system known as SEDI, of any direct or indirect beneficial ownership of, or control or direction over, securities of the Company and of any change in such ownership, control or direction. In addition, Insiders must also include in their reports any monetization, non-recourse loan or similar arrangement, trade or transaction that changes the Insider’s economic exposure to or interest in securities of the Company and which may not necessarily involve a sale, whether or not required under applicable law. Some officers of the Company or its subsidiaries may be eligible to be exempted by applicable securities law from the requirements to file insider reports in Canada. A person who is uncertain as to whether he or she is an Insider or whether he or she may be eligible to be exempted from these requirements should contact the Company Secretary of MDL. Insiders who are exempted from these requirements remain subject to all of the other provisions of applicable securities law and this policy.

CONSEQUENCES OF BREACH

27. Strict compliance with this Policy is mandatory for all persons covered under this Policy. Breaches of this Policy may damage the Company’s reputation in the investment community and undermine confidence in the market for MDL Securities. Accordingly, breaches will be taken very seriously by the Company and will be subject to disciplinary action, including possible termination of a person’s employment or appointment.

QUESTIONS / FURTHER INFORMATION

28. A copy of this Policy is available on the Company’s website: www.mineraldeposits.com.au.
29. If you have any questions or need further information on how to comply with this Policy, please contact the Company Secretary.